

COMPANY NUMBER 03474829

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

of

VIVOBAREFOOT LIMITED (Company)

Passed on 6 May 2016

The following resolutions were duly passed on the date set out above as written ordinary and special resolutions of the Company (as indicated) pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (the Act)

ORDINARY RESOLUTION

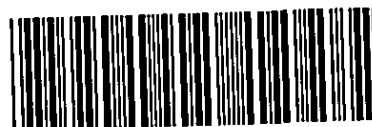
- 1 (A) **THAT** the Directors are generally and unconditionally authorised for the purposes of sections 549 and 551 of the Act to exercise all the powers of the Company to allot shares in the Company and/or to grant rights to subscribe for, or to convert any security into shares in the Company on and subject to such terms as the Directors may determine. The authority hereby conferred shall, subject to section 551 of the Act, be for a period expiring on the fifth anniversary of the date of these Resolutions unless renewed, varied or revoked by the Company in General Meeting and shall supersede any other such authorities existing at the date hereof all of which are hereby revoked. The maximum nominal amount of shares that may be allotted pursuant to such authority shall be £1,218,504.
- (B) **THAT** the Directors shall be entitled under the authority conferred by paragraph (A) of these Resolutions or under any renewal thereof to make at any time prior to the expiry of such authority any offer or agreement which would or might require shares of the Company to be allotted after the expiry of such authority and the Directors may allot shares or grant rights to subscribe for or to convert any security into shares in pursuance of such offer or agreement notwithstanding the authority conferred by this Resolution has expired.

SPECIAL RESOLUTIONS

- 2 **THAT** the rights of pre-emption in respect of issue of new shares in the capital of the Company contained in Article 28 of the Articles of Association be and are hereby disapplied in respect of the issue of up to 3,950,000 C Ordinary Shares and up to 4,858,215 B Ordinary Shares in the capital of the Company.
- 3 **THAT** the draft articles of association of the Company in the form attached to these Resolutions be adopted as the new articles of association of the Company in substitution for, and to the exclusion of, the Company's existing articles of association.

  
.....  
Director/ Secretary

SATURDAY



A17 07/05/2016 #186  
COMPANIES HOUSE

COMPANY NUMBER: 03474829

DATED 6 May 2016

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION  
OF  
VIVOBAREFOOT LIMITED

(Adopted by special resolution passed on 6 May 2016)

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PENNINGTONS  
MANCHES

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## PART 1

### INTERPRETATION AND LIMITATION OF LIABILITY

#### 1. DEFINED TERMS

1 1 In these Articles, unless the context requires otherwise

**Act** means the Companies Act 2006,

**Acting in Concert** has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended),

**Adoption Date** means the date of adoption of these Articles,

**Appointor** has the meaning given in article 23 1,

**Audited Accounts** means the audited financial statements of the Group,

**Bad Leaver** means an Employee Shareholder who becomes a Departing Employee Shareholder in circumstances where the Employee Shareholder is guilty of any fraud, dishonesty or gross negligence,

**Bankruptcy** includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy,

**B Ordinary Shares** means B ordinary shares of £0 25 each in the capital of the Company,

**Business Day** means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business,

**C Ordinary Shares** means C ordinary shares of £0 001 each in the capital of the Company,

**Call** has the meaning given to it in article 52 1,

**Call Notice** has the meaning given to it in article 52 1,

**Chairman** has the meaning given in article 12,

**Chairman of the meeting** has the meaning given in article 63 3,

**Clark Shareholder** means Lancelot Clark, Galahad Clark, Asher Clark or Tony Clark,

**Companies Acts** means the Companies Acts (as defined in section 2 of the Act), in so far as they apply to the Company,

**Company** means Vivobarefoot Limited, a private limited company incorporated in England & Wales (company number 03474829),

**Company's Lien** has the meaning given in article 53 1,

**Conflict** has the meaning given in article 15 1,

**Connected** has the meaning given in section 252 of the Act,

**Controlling Interest** means an interest in Shares giving to the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010,

**Crowd-Funding Shares** means any B Ordinary Shares issued as part of a crowd-funding by the Company,

**Deemed Transfer Notice** means a Transfer Notice which is deemed to have been served by any of the provisions of these Articles,

**Departing Employee Shareholder** means an Employee Shareholder who ceases to be a consultant to, or a director or employee of, the Company (or any other member of the Group) and does not continue as, or become, a consultant to, or a director or employee of, any other member of the Group,

**Director** means a director of the Company and includes any person occupying the position of director, by whatever name called,

**Distribution recipient** has the meaning given in article 42 2,

**Document** includes, unless otherwise specified, any document sent or supplied in electronic form,

**Electronic Form** has the meaning given in section 1168 of the Act,

**Eligible Director** means a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter),

**Employee Shareholder** means a shareholder who is, or has been, a consultant, a director or an employee of any member of the Group other than

(i) a Founder, or

(ii) Nicholas Beart,

**Employee Share Scheme** has the meaning given in section 1166 of the Act,

**Encumbrance** means any mortgage, charge, security interest, lien, pledge, assignment by way of security, equity claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected) other than liens arising by operation of law,

**Fair Value** has the meaning given in article 37 12,

**Family Trust** as regards any particular individual Shareholder (or deceased or former individual Shareholder), means a trust (whether arising under a settlement, declaration of trust or other Instrument by whomsoever or wheresoever made, or

under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the Shares in question is for the time being vested in any person other than the particular Shareholder and/or any of the Privileged Relations of that Shareholder (and so that for this purpose a person shall be considered to be beneficially Interested in a Share if such Share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of any such person or any voting or other rights attaching thereto are exercisable by or as directed by any such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons),

**Financial Year** in relation to a company, has the meaning given in section 390 of the Act,

**Founders** means Galahad John David Clark, Lancelot Pease Clark and Asher Moe Clark and **Founder** shall mean any one of them,

**Fully Paid** in relation to a Share, means that the nominal value and any premium to be paid to the Company in respect of that Share have been paid to the Company,

**Good Leaver** means an Employee Shareholder who becomes a Departing Employee Shareholder in circumstances where he is not a Bad Leaver,

**Group** means the Company and its subsidiaries (if any) from time to time and **member of the Group** shall be construed accordingly,

**hard copy form** has the meaning given in section 1168 of the Act,

**Holder** in relation to a share means the person whose name is entered in the register of members as the holder of the share,

**Holding Company** has the meaning given in section 1159 of the Act,

**Hurdle Date** means the first date on which the signed Audited Accounts for any Financial Year show that the

- (a) Profit Before Tax of the Group is equal to or exceeds £500,000, and
- (b) Turnover of the Group for the same period as such Profit Before Tax is equal to or exceeds £20,000,000,

**Independent Expert** has the meaning given in article 37,

**Instrument** means a document in hard copy form,

**IPO** means the admission of all or any of the Shares or securities representing those shares (including without limitation depositary interests, American depositary receipts, American depositary shares and/or other instruments) to or the grant of permission by any like authority for the same to be admitted to or traded or quoted on Nasdaq or the Official List of the United Kingdom Listing Authority or the AIM Market operated by the London Stock Exchange Plc or any other recognised

investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000),

**Issue Price** in respect of any share, the subscription price paid (or agreed to be paid) in respect of that share, including any share premium,

**Interested Director** has the meaning given in article 15 1,

**Interested Shareholder** has the meaning given in article 37 2,

**Lien Enforcement Notice** means a notice in writing which complies with the requirements of article 53 2,

**Member of the Same Group** as regards any company, a company which is from time to time a holding company or a subsidiary of that company or a subsidiary of any such holding company,

**Ordinary Resolution** has the meaning given in section 282 of the Act,

**Ordinary Shares** means ordinary shares of £1 00 each in the capital of the Company,

**Original Shareholder** has the meaning given in article 34 1,

**Paid** has the meaning given in article 34 1,

**Participate** in relation to a Directors' meeting, has the meaning given in article 10,

**Permitted Transfer** means a transfer of Shares made in accordance with article 34 1 or articles 34 2,

**Permitted Transferee** as regards any individual Shareholder means

- (c) any of his Privileged Relations,
- (d) the trustee(s) of a Family Trust,
- (e) a Founder, or
- (f) any other Clark Shareholder,

**Person** means a natural person, partnership, unincorporated association, body corporate, government, state or agency of a state, local or municipal authority or government body or a joint venture wherever incorporated or situated (in each case whether or not having separate legal personality),

**Privileged Relation** in relation to any individual Shareholder means a spouse, civil partner (as defined in the Civil Partnerships Act 2004), child or grandchild (including step or adopted or illegitimate child and their issue),

**Proceeds Of Sale** means the consideration payable (including any deferred consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale,



**Profit Before Tax** means the profit before tax of the Group for any Financial Year, as shown in the signed Audited Accounts for such Financial Year,

**Proposed Transfer Price** has the meaning given in article 33 2(c),

**Proxy Notice** has the meaning given in article 69 1,

**Realisation Price** means the value of each Ordinary Share in issue immediately prior to an IPO (after issue of any Ordinary Shares pursuant to Article 51 2), determined by reference to the price per share at which Ordinary Shares in the Company are to be offered for sale, placed or otherwise marketed pursuant to such IPO,

**Relevant Securities** means any Shares or other securities convertible into, or carrying the right to subscribe for Shares, issued by the Company after the Adoption Date, other than

- (a) any Shares or other securities issued by the Company under an employee share scheme approved by the Directors (including any Shares issued on the exercise of options granted under an employee share scheme approved by the Directors),
- (b) any Shares or other securities issued by the Company in order for the Company to comply with its obligations under these Articles and/or any shareholders' agreement (or similar document) in force between any of the Shareholders and the Company, and
- (c) any Shares or other securities issued in consideration of the acquisition by the Company of any company or business which has been approved by the Directors

**Restricted Shares** has the meaning given in article 34 13,

**Sale Shares** has the meaning given in article 33 2,

**Seller** has the meaning given in article 33 2,

**Shareholder** means a person who is the holder of a Share,

**Shareholder Majority** means

- (a) prior to the Hurdle Date, the holder(s) of more than 50% of the Shares in issue other than C Ordinary Shares, or
- (b) after the Hurdle Date, the holder(s) of more than 50% of the Shares in issue including C Ordinary Shares,

**Share** means a share in the Company,

**Share Sale** means the sale of (or the grant of a right to acquire or to dispose of) any of the shares in the capital of the Company (in one transaction or as a series of transaction) which will result in the purchaser of those shares (or grantee of that right) and persons acting in concert with him together acquiring a Controlling Interest in the Company, except where following completion of the sale the

shareholders and the proportion of shares held by each of them are the same as the shareholders and their shareholdings in the Company immediately prior to the sale,

**Special Resolution** has the meaning given in section 283 of the Act,

**Subsidiary** in relation to a holding company wherever incorporated, means a subsidiary (as defined in section 1159 of the Act) for the time being and any other company which for the time being is itself a subsidiary (as so defined) of a company which is itself a subsidiary of such holding company,

**Subsidiary Undertaking** has the meaning given in section 1162 of the Act,

**Termination Date** means

- (a) where the Employee Shareholder concerned is a consultant to any member of the Group, the date on which his consultancy agreement (or other terms of appointment) with the relevant member of the Group is terminated,
- (b) where the Employee Shareholder concerned is an employee of any member of the Group and his employment ceases by virtue of notice given by his employer, the date on which such notice expires,
- (c) where the Employee Shareholder concerned is an employee of any member of the Group and his contract of employment is terminated by his employer and a payment is made in lieu of notice, the date on which notice of termination was served,
- (d) where the Employee Shareholder concerned is a director but not an employee of any member of the Group, the date on which his service agreement (or other terms of appointment) with the relevant member of the Group is terminated,
- (e) where an Employee Shareholder dies, the date of his death, or
- (f) in any other case, the date on which the consultancy, employment or holding of office is terminated,

**Transfer Notice** has the meaning given in article 33 2,

**Transfer Price** has the meaning given in article 33 3,

**Transmittee** means a person entitled to a Share by reason of the death or bankruptcy of a Shareholder or otherwise by operation of law,

**Turnover** means the turnover of the Group for any Financial Year as shown in the signed Audited Accounts for such Financial Year, and

**Writing** means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise

- 1 2 Save as otherwise specifically provided in these Articles, and unless the context  
otherwise requires, words and expressions which have particular meanings in the  
Act shall have the same meanings in these Articles
- 1 3 Headings in these Articles are used for convenience only and shall not affect the  
construction or interpretation of these Articles
- 1 4 A reference in these Articles to an "**article**" is a reference to the relevant article of  
these Articles unless expressly provided otherwise
- 1 5 Unless expressly provided otherwise, a reference to a statute, statutory  
provision or subordinate legislation is a reference to it as it is in force from time to  
time, taking account of
- (a) any subordinate legislation from time to time made under it and
  - (b) any amendment or re-enactment and includes any statute, statutory  
provision or subordinate legislation which it amends or re-enacts
- 1 6 Any phrase introduced by the terms "**including**", "**include**", "**in particular**" or any  
similar expression shall be construed as illustrative and shall not limit the sense of  
the words preceding those terms
- 2. LIABILITY OF MEMBERS**
- 2 1 The liability of the members is limited to the amount, if any, unpaid on the Shares  
held by them

## **PART 2**

### **DIRECTORS**

#### **DIRECTORS' POWERS AND RESPONSIBILITIES**

**3. DIRECTORS' GENERAL AUTHORITY**

- 3 1 Subject to the Articles, the Directors are responsible for the management of the  
Company's business, for which purpose they may exercise all the powers of the  
Company

**4. SHAREHOLDERS' RESERVE POWER**

- 4 1 The Shareholders may, by special resolution, direct the Directors to take, or refrain  
from taking, specified action
- 4 2 No such special resolution invalidates anything which the Directors have done  
before the passing of the resolution

**5. DIRECTORS MAY DELEGATE**

- 5 1 Subject to the Articles, the Directors may delegate any of the powers which are  
conferred on them under the Articles
- (a) to such person or committee,

- (b) by such means (including by power of attorney),
- (c) to such an extent,
- (d) in relation to such matters or territories,
- (e) on such terms and conditions, and
- (f) as they think fit

5 2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated

5 3 The Directors may revoke any delegation in whole or part, or alter its terms and conditions

## **6. COMMITTEES**

6 1 Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by Directors

6 2 The Directors may make rules of procedure for all or any committees, which prevail over rules derived from the Articles if they are not consistent with them

## **DECISION-MAKING BY DIRECTORS**

### **7. DIRECTORS TO TAKE DECISIONS COLLECTIVELY**

7 1 Decisions of the Directors may be taken

- (a) by majority decision at a Directors' meeting, or
- (b) in the form of a Directors' written resolution in accordance with article 8

7 2 If

- (a) the Company only has one Director for the time being, and
- (b) no provision of the Articles requires it to have more than one Director, the general rule does not apply, and the Director may (for so long as he remains the sole Director) take decisions without regard to any of the provisions of the Articles relating to Directors' decision-making

### **8. WRITTEN RESOLUTIONS**

8 1 Any Director may propose a Directors' written resolution by giving notice of the proposed resolution in writing to every other Director

8 2 A proposed Directors' written resolution is adopted when each Eligible Director has signed one or more copies of it, or otherwise indicated his agreement to it in writing, provided that the Eligible Directors would have formed a quorum at a Directors' meeting

- 8 3 Once a Directors' written resolution has been adopted, it must be treated as if it had been a decision taken at a Directors' meeting in accordance with these Articles

## **9. CALLING A DIRECTORS' MEETING**

- 9 1 Meetings of the Directors shall take place at least six times in each financial year of the Company Any Director may call a meeting of the Directors, or authorise the company secretary (if any) to give such notice Reasonable advance notice of each such meeting shall be given to each Director (except with the prior consent in writing of all the Directors, when meetings of the Directors may take place less frequently or on shorter notice)

- 9 2 Notice of any Directors' meeting must indicate

- (a) its proposed date and time,
- (b) where it is to take place, and
- (c) if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting

- 9 3 Notice of a Directors' meeting must be given to each Director, but need not be in writing

- 9 4 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it

## **10. PARTICIPATION IN DIRECTORS' MEETINGS**

- 10 1 Subject to the Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when

- (a) the meeting has been called and takes place in accordance with the Articles, and
- (b) they can each communicate to the others any Information or opinions they have on any particular item of the business of the meeting

- 10 2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other

- 10 3 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is

## **11. QUORUM FOR DIRECTORS' MEETINGS**

- 11 1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting

- 11 2 Subject to article 11 4, the quorum for the transaction of business at a meeting of Directors is any two Directors
- 11 3 If the necessary quorum is not present within 30 minutes from the time appointed for the meeting, or if, during a meeting, such quorum ceases to be present, the meeting shall stand adjourned to such time and place as the chairman may determine
- 11 4 For the purposes of any meeting (or part of a meeting) held pursuant to article 15 to authorise a conflict, if there is only one Director in office besides the conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director

## **12. CHAIRING OF DIRECTORS' MEETINGS**

- 12 1 The Directors may appoint any person as the chairman of the board of Directors and may remove and replace any such chairman. If a new chairman has not been appointed within three months of the chairman's resignation or removal, a Shareholder Majority shall be entitled to appoint a chairman by notice in writing addressed to the Directors of the Company
- 12 2 If there is no chairman in office for the time being, or the chairman is unable to attend any meeting of the Directors, the Directors present at the meeting must appoint another Director present at the meeting to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting

## **13. CASTING VOTE**

- 13 1 If the numbers of votes for and against a proposal at a meeting of Directors are equal, the chairman or other Director chairing the meeting shall not have a casting vote
- 13 2 Article 13 1 shall not apply in respect of a particular meeting (or part of a meeting) if in accordance with the Articles, the chairman or other Director is not an Eligible Director for the purposes of that meeting (or part of a meeting)

## **14. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY**

- 14 1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested,
  - (b) shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of Directors) in respect of such existing or proposed transaction or arrangement in which he is interested,

- (c) (shall be entitled to vote at a meeting of Directors or of a committee of the Directors, or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested,
- (d) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director,
- (e) may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested, and
- (f) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act

14 2 For the purposes of this article 14, references to proposed decisions and decision-making processes include any Directors' meeting or part of a Directors' meeting

14 3 Subject to article 14 4, if a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any Director other than the chairman is to be final and conclusive

14 4 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the Directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes

## 15 DIRECTORS' CONFLICTS OF INTEREST

15 1 The Directors may, in accordance with the requirements set out in this article 15, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (**Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (a **Conflict**)

15 2 Any authorisation under this article 15 will be effective only if

- (a) the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine,

- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director, and
  - (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted
- 15 3 Any authorisation of a Conflict under this article 15 may (whether at the time of giving the authorisation or subsequently)
  - (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,
  - (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict,
  - (c) provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict,
  - (d) impose upon the Interested Director such other terms for the purposes of dealing with the conflict as the Directors think fit, and
  - (e) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters
- 15 4 The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation
- 15 5 In authorising a Conflict the Directors may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his involvement in the Conflict otherwise than as a Director of the Company and in respect of which he owes a duty of confidentiality to another person, the Director is under no obligation to
  - (a) disclose such information to the Directors or to any Director or other officer or employee of the Company, or
  - (b) use or apply any such information in performing his duties as a Director,
 where to do so would amount to a breach of that confidence
- 15 6 Where the Directors authorise a Conflict
  - (a) the Interested Director will be obliged to conduct himself in accordance with any terms imposed by the Directors in relation to the Conflict, and
  - (b) the Interested Director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act provided he acts in accordance with



such terms, limits and conditions (if any) as the Directors impose in respect of its authorisation

15 7 A Director, notwithstanding his office, may be a Director or other officer of, employed by, or otherwise Interested (including by the holding of shares) in his appointor(s) and no additional authorisation under these Articles shall be necessary in respect of any such Interest

15 8 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

#### **16. RECORDS OF DECISIONS TO BE KEPT**

16 1 The Directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors

16 2 Where decisions of the Directors are taken by electronic means, such decisions shall be recorded by the Directors in permanent form, so that they may be read with the naked eye

#### **17. DIRECTORS' DISCRETION TO MAKE FURTHER RULES**

17 1 Subject to the Articles, the Directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors

### **APPOINTMENT OF DIRECTORS**

#### **18. NUMBER OF DIRECTORS**

18 1 Unless otherwise determined by ordinary resolution, the maximum number of Directors appointed at any time shall be ten and the minimum number of Directors shall be one

#### **19. METHODS OF APPOINTING DIRECTORS**

19 1 Any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director

(a) by ordinary resolution, or

(b) by a decision of the Directors, provided that the appointment does not cause the number of Directors in office for the time being (excluding alternate Directors who are not also Directors) to exceed any maximum number fixed or otherwise determined in accordance with these Articles

- 19 2 In any case where, as a result of death or bankruptcy, the Company has no Shareholders and no Directors, the transmittee(s) of the last Shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a Director
- 19 3 For the purposes of article 19 2, where two or more Shareholders die in circumstances rendering it uncertain who was the last to die, a younger Shareholder is deemed to have survived an older Shareholder
- 19 4 Subject to article 20 1(a) to article 20 1(g) (inclusive), each Founder shall, for so long as he or his Permitted Transferees hold Shares, be entitled to be appointed a Director of the Company
- 19 5 Any appointment made in accordance with article 19 4 shall take immediate effect upon receipt (or deemed receipt) by the Company of such notice in writing, or the production of such notice at a meeting of the Directors or, if later, the date (if any) specified in such notice

## **20. TERMINATION OF DIRECTORS' APPOINTMENT**

- 20 1 A person ceases to be a Director as soon as
- (a) that person ceases to be a Director by virtue of any provision of the Act or is prohibited from being a Director by law,
  - (b) a bankruptcy order is made against that person,
  - (c) a composition is made with that person's creditors generally in satisfaction of that person's debts,
  - (d) by reason of that person's mental health either
    - (i) that person is admitted to a hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983, or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or
    - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for that person's detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to that person's property or affairs
  - (e) that person is convicted of a criminal offence (other than a minor motoring offence or series of offences not resulting in disqualification) and the other Directors resolve that his office be vacated,
  - (f) notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms,

- (g) that person shall for more than six consecutive months have been absent without permission of the other Directors from meetings of Directors held during that period and the other Directors resolve that his office be vacated,
- (h) subject to article 19 4, the other Directors resolve that he cease to be a Director,
- (i) subject to article 19 4, in the case of an executive Director only, he shall cease to be employed by a member of the Group and does not continue as an employee of any other member of the Group

## **21. DIRECTORS' REMUNERATION**

21 1 Directors may undertake any services for the Company that the Directors decide

21 2 Directors are entitled to such remuneration as the Directors determine

- (a) for their services to the Company as Directors, and
- (b) for any other service which they undertake for the Company

21 3 Subject to the Articles, a Director's remuneration may

- (a) take any form, and
- (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director

21 4 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day

21 5 Unless the Directors decide otherwise, Directors are not accountable to the Company for any remuneration which they receive as Directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the Company is interested

## **22. DIRECTORS' EXPENSES**

22 1 The Company may pay any reasonable expenses which the Directors (including alternate Directors) and the secretary properly incur in connection with their attendance at

- (a) meetings of Directors or committees of Directors,
- (b) general meetings, or
- (c) separate meetings of the holders of any class of Shares or of debentures of the Company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company

**23. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS**

- 23 1 Any Director (the **appointor**) may appoint as an alternate any other Director, or any other person approved by resolution of the Directors, to
- (a) exercise that Director's powers, and
  - (b) carry out that Director's responsibilities,
- in relation to the taking of decisions by the Directors in the absence of the alternate's appointor
- 23 2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the Directors
- 23 3 The notice must
- (a) identify the proposed alternate, and
  - (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice

**24. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS**

- 24 1 An alternate Director may act as alternate Director to more than one Director and has the same rights in relation to any decision of the Directors as the alternate's appointor
- 24 2 Except as the Articles specify otherwise, alternate Directors
- (a) are deemed for all purposes to be Directors,
  - (b) are liable for their own acts and omissions,
  - (c) are subject to the same restrictions as their appointers, and
  - (d) are not deemed to be agents of or for their appointers
- and, in particular (without limitation), each alternate Director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a member
- 24 3 A person who is an alternate Director but not a Director
- (a) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating),
  - (b) may participate in a unanimous decision of the Directors (but only if his appointor is an Eligible Director in relation to that decision, but does not participate), and
  - (c) shall not be counted as more than one Director for the purposes of articles 24 3(a) and (b)

24 4 A Director who is also an alternate Director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the Directors (provided that his appointor is an Eligible Director in relation to that decision), but shall not count as more than one Director for the purposes of determining whether a quorum is present

24 5 An alternate Director is not entitled to receive any remuneration from the Company for serving as an alternate Director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company

## **25. TERMINATION OF ALTERNATE DIRECTORSHIP**

25 1 An alternate Director's appointment as an alternate terminates

- (a) when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate,
- (b) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a Director,
- (c) on the death of the alternate's appointor, or
- (d) when the alternate's appointor's appointment as a Director terminates

## **26. SECRETARY**

26 1 The Directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the Directors so decide, appoint a replacement, in each case by a decision of the Directors

### **PART 3**

## **SHARES AND DISTRIBUTIONS**

### **SHARES**

## **27. SHARE CAPITAL**

27 1 Except as otherwise provided in these Articles, the Ordinary Shares, the B Ordinary Shares and the C Ordinary Shares shall rank *pari passu* in all respects but shall constitute separate classes of Shares

27 2 No Share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue This does not apply to Shares taken on the formation of the Company by the subscribers to the Company's memorandum

## **28. PRE-EMPTION RIGHTS ON THE ISSUE OF FURTHER SHARES**

- 28 1 In accordance with section 567(1) of the Act sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company
- 28 2 Unless otherwise agreed by special resolution, if the Company proposes to allot any Relevant Securities, those Relevant Securities shall not be allotted to any person unless the Company has first offered them to the Shareholders (on the date of the offer) (each an **Offeree**) in the respective proportions that the number of Shares (other than C Ordinary Shares prior to the Hurdle Date but including C Ordinary Shares after the Hurdle Date) held by such Shareholder bears to the total number of the Shares (other than C Ordinary Shares prior to the Hurdle Date but including C Ordinary Shares after the Hurdle Date) held by all such Shareholders (as nearly as possible without involving fractions) and on the same terms, and at the same price, as those Relevant Securities are being, or are to be, offered to any other person
- 28 3 An offer made under article 28 2 shall
- (a) be in writing and give details of the number, class and subscription price (including any share premium) of the Relevant Securities being offered,
  - (b) remain open for a period of at least 20 business days from the date of service of the offer, and
  - (c) stipulate that any Offeree who wishes to subscribe for a number of Relevant Securities in excess of the number to which he is entitled under article 28 3 shall, in his acceptance, state the number of excess Relevant Securities (**Excess Securities**) for which he wishes to subscribe
- 28 4 If, on the expiry of an offer made in accordance with article 28 3, the total number of Relevant Securities applied for is less than the total number of Relevant Securities so offered, the Directors shall allot the Relevant Securities to the Offerees in accordance with their applications, subject to a maximum of each Offeree's proportionate entitlement
- 28 5 Any Relevant Securities not accepted by Offerees pursuant to an offer made in accordance with article 28 3 shall be used to satisfy any requests for Excess Securities made pursuant to article 28 3(c) If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants in the respective proportions that the number of Shares (other than C Ordinary Shares prior to the Hurdle Date but including C Ordinary Shares after the Hurdle Date) held by each such applicant bears to the total number of the Shares (other than C Ordinary Shares prior to the Hurdle Date but including C Ordinary Shares after the Hurdle Date) held by all applicants (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Shareholder beyond that applied for by him) After those allotments, any Excess Securities shall, subject to article 28 6, be offered to any other person(s) as the Directors may determine, at the same price and on the same terms as the offer to the Shareholders

28 6 No Shares shall be allotted to any current or prospective employee or Director of any member of the Group unless such person shall first have entered into a joint election with the relevant member of the Group under section 431 of the Income Tax (Earnings and Pensions) Act 2003

**29. POWERS TO ISSUE DIFFERENT CLASSES OF SHARE AND VARIATION OF CLASS RIGHTS**

29 1 Subject to the Articles, but without prejudice to the rights attached to any existing Share, the Company may issue Shares with such rights or restrictions as may be determined by ordinary resolution

29 2 The Company may issue Shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the Directors may determine the terms, conditions and manner of redemption of any such Shares

29 3 Whenever the share capital of the Company is divided into different classes of Shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding up) with the consent in writing of the holders of at least 75% in nominal value of the issued Shares of that class

**30. COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS**

30 1 Except as required by law, no person is to be recognised by the Company as holding any Share upon any trust, and except as otherwise required by law or the Articles, the Company is not in any way to be bound by or recognise any interest in a Share other than the holder's absolute ownership of it and all the rights attaching to it

**31. SHARE CERTIFICATES**

31 1 The conditions of issue of any Shares shall not require the Company to issue any Share certificate (or replacement Share certificate) although the Board may resolve to do so

31 2 The Company shall not be bound to issue more than one certificate in respect of Shares held jointly by two or more persons. Delivery of a certificate to the person first named in the register shall be sufficient delivery to joint holders

31 3 If the Board resolves to issue a Share certificate it may be issued under seal (by affixing the seal to or printing the seal or a representation of it on the certificate) or signed by at least two Directors or by at least one Director and the Secretary. Such certificate shall specify the number and class of the Shares in respect of which it is issued and the amount or respective amounts paid up on it. The Board may by resolution decide, either generally or in any particular case or cases that any signatures on any Share certificates need not be autographic but may be applied to the certificates by some mechanical or other means or may be printed on them or that the certificates need not be issued under seal or signed by any person

31 4 Every Share certificate sent in accordance with these Articles will be sent at the risk of the member or other person entitled to the certificate. The Company will not be responsible for any Share certificate lost or delayed in the course of delivery.

## **32. TRANSFERS OF SHARES - GENERAL**

32 1 In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other Interest in that Share, or the creation of a trust or encumbrance over that Share, and reference to a Share includes a beneficial or other Interest in a Share.

32 2 No Share shall be transferred, and the Directors shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles. Subject to article 32 5, the Directors shall register any duly stamped transfer made in accordance with these Articles, unless they suspect that the proposed transfer may be fraudulent.

32 3 If a Shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, he shall, save where the Directors determine otherwise, be deemed to have immediately served a Transfer Notice in respect of all Shares held by him.

32 4 Any transfer of a Share by way of sale which is required to be made under article 34 (Permitted and Compulsory Transfers), article 35 (Tag Along Rights) or article 36 (Drag Along Rights) shall be deemed to include the following warranties given by the transferor:

- (a) the transferor is the legal and beneficial owner of the Share being sold,
- (b) the transferor sells the Share with full title guarantee,
- (c) the transferor sells the Share free from all encumbrances and that no commitment has been given to create an encumbrance affecting the Share being sold.

32 5 The Directors may, as a condition to the registration of any transfer of Shares, require the transferee (other than any holder of Crowd-Funding Shares only) to execute and deliver to the Company a deed, in favour of the Company and the other Shareholders agreeing to be bound by the terms of any shareholders' agreement (or similar document) in force between any of the Shareholders and the Company, in such form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor). If any condition is imposed in accordance with this article 32 5, the transfer may not be registered unless and until that deed has been executed and delivered to the Company's registered office by the transferee.

32 6 To enable the Directors to determine whether or not there has been any transfer (or purported transfer) of Shares the Directors may require:

- (a) any holder (or the legal representatives of a deceased holder), or
- (b) any person named as a transferee in a transfer lodged for registration, or



- (c) such other person as the Directors may reasonably believe to have information relevant to that purpose,

to provide the Company with any information and evidence that the Directors think fit regarding any matter which they deem relevant to that purpose

32 7 If any such information or evidence referred to in article 32 6 is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or that as a result of the information and evidence provided the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such Shares of that fact in writing and, if the holder fails to remedy that situation to the reasonable satisfaction of the Directors within 10 business days of receipt of such written notice then

- (a) the relevant Shares shall cease to confer on the holder of them any rights
  - (i) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares,
  - (ii) to receive dividends or other distributions otherwise attaching to those Shares, or
  - (iii) to participate in any future issue of Shares issued in respect of those Shares, and
- (b) the Directors may, by notice in writing to the relevant holder, determine that a Transfer Notice shall be deemed to have been given in respect of some or all of his Shares with effect from the date of service of the notice (or such later date as may be specified in such notice)

The Directors may reinstate the rights referred to in article 33 7(a) at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to article 32 7(b) on completion of such transfer

32 8 Unless expressly provided otherwise in these Articles, if a Transfer Notice is deemed to have been given under these Articles, the Deemed Transfer Notice shall be treated as having specified that

- (a) it does not contain a Minimum Transfer Condition, and
- (b) the Seller wishes to transfer all the Shares held by him (including any Shares acquired after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice)

32 9 Any Transfer Notice (but not an Offer Notice (as defined in article 35 3) or a Drag Along Notice (as defined in article 36 2)) served in respect of the transfer of any Share which has not completed before the date of service of a Deemed Transfer Notice shall automatically be revoked by the service of a Deemed Transfer Notice

- 32 10 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the Directors, which is executed by or on behalf of the transferor
- 32 11 No fee may be charged for registering any Instrument of transfer or other document relating to or affecting the title to any Share
- 32 12 The Company may retain any instrument of transfer which is registered
- 32 13 The transferor remains the holder of a Share until the transferee's name is entered in the register of members as holder of it
- 32 14 The Company may finance a purchase by it of Shares using cash to the extent permitted by section 692(1ZA) of the Act

### **33. PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES**

- 33 1 Except where the provisions of article 34 1, article 34 2, article 34 6, article 34 4, article 34 5(a), article 35 5 or article 36 apply or unless otherwise agreed by special resolution, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this article 33
- 33 2 A Shareholder who wishes to transfer Shares (a **"Seller"**) shall, before transferring or agreeing to transfer any Shares, give notice in writing (a **"Transfer Notice"**) to the Company specifying
  - (a) subject to article 32 8(b), the number of Shares he wishes to transfer (**"Sale Shares"**),
  - (b) the name of the proposed transferee, if any,
  - (c) the price per Sale Share (in cash), if any, at which he wishes to transfer the Sale Shares (the **"Proposed Transfer Price"**), and
  - (d) subject to article 32 8(a), whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (a **"Minimum Transfer Condition"**)
- 33 3 The Transfer Price for each Sale Share the subject of a Transfer Notice (or Deemed Transfer Notice) shall, save where expressly provided otherwise in these Articles, be
  - (a) where, in the reasonable opinion of the Directors, there is a valid bona fide third party offer for the Sale Shares, the price per Sale Share (in cash) offered by the third party, or
  - (b) the price per Sale Share (in cash) agreed between the Directors (any Director with whom the Seller is connected not voting) and the Seller or, in default of agreement within 20 business days of the date of service of the Transfer Notice (or, in the case of a Deemed Transfer Notice, the date on which the board of directors first has actual knowledge of the facts giving rise to such deemed service), the Fair Value of each Sale Share

- 33 4 Except in the case of a Deemed Transfer Notice (which may not be withdrawn), where the Transfer Price of the Sale Shares comprised within a Transfer Notice is to be the Fair Value and such Fair Value is less than the Proposed Transfer Price the Seller may, within 10 business days of receipt of notification of the Fair Value, withdraw the Transfer Notice. Otherwise, a Transfer Notice may only be withdrawn with the consent of the Directors.
- 33 5 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.
- 33 6 As soon as practicable following the later of
- (a) receipt of a Transfer Notice (or in the case of a Deemed Transfer Notice, the date such notice is deemed to be served, and
  - (b) the determination of the Transfer Price,
- the Directors shall (unless the Transfer Notice is withdrawn in accordance with article 33 4) offer the Sale Shares for sale in the manner set out in the remaining provisions of this article 33 at the Transfer Price. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.
- 33 7 The Directors shall offer the Sale Shares to the Shareholders (other than the Seller and, prior to the Hurdle Date, any person who only holds C Ordinary Shares), inviting them to apply in writing within 20 business days after the date of the offer (the "First Offer Period") for the maximum number of Sale Shares they wish to buy.
- 33 8 If
- (a) at the end of the First Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Directors shall allocate the Sale Shares to each Shareholder who has applied for Sale Shares in the proportion which his existing holding of Shares (other than C Ordinary Shares prior to the Hurdle Date but including C Ordinary Shares after the Hurdle Date) bears to the total number of the Shares (other than C Ordinary Shares prior to the Hurdle Date but including C Ordinary Shares after the Hurdle Date). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements shall be determined by the Directors. No allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy,
  - (b) not all Sale Shares are allocated following allocations in accordance with article 33 8(a), but there are applications for Sale Shares that have not been satisfied, the Directors shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in article 33 8(a). The procedure set out in this article 33 8(b) shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied, and

- (c) at the end of the First Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Directors shall allocate the Sale Shares to the Shareholders in accordance with their applications. The balance (the "**Initial Surplus Shares**") shall be dealt with in accordance with article 33 9
- 33 9 At the end of the First Offer Period, the Directors shall be entitled to offer the Initial Surplus Shares (if any) to such person(s) (including the Company) as the Directors think fit, inviting them to apply in writing within 10 business days after the date of the offer (the "**Second Offer Period**") for the maximum number of Initial Surplus Shares they wish to buy
- 33 10 If
  - (a) at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is equal to or exceeds the number of Initial Surplus Shares, the Directors shall allocate the Initial Surplus Shares to each person who has applied for Initial Surplus Shares in such proportion as the Directors think fit. No allocation shall be made to a person of more than the maximum number of Initial Surplus Shares which he has stated he is willing to buy,
  - (b) not all Initial Surplus Shares are allocated following allocations in accordance with article 33 10(a), but there are applications for Initial Surplus Shares that have not been satisfied, the Directors shall allocate the remaining Initial Surplus Shares to such applicants in accordance with the procedure set out in article 33 10(a). The procedure set out in this article 33 10(b) shall apply on any number of consecutive occasions until either all Initial Surplus Shares have been allocated or all applications for Initial Surplus Shares have been satisfied, and
  - (c) at the end of the Second Offer Period, the total number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the Directors shall allocate the Initial Surplus Shares to such person(s) as the Directors may determine in accordance with their applications. The balance (the "**Second Surplus Shares**") shall, subject to article 33 11, be offered to any other person in accordance with article 33 16
- 33 11 Where the Transfer Notice contains a Minimum Transfer Condition
  - (a) any allocation made under article 33 6 to article 33 10 (inclusive) shall be conditional on the fulfilment of the Minimum Transfer Condition, and
  - (b) if the total number of Sale Shares applied for under article 33 6 to article 33 10 (inclusive) is less than the number of Sale Shares, the Directors shall notify the Seller and all those Shareholders and/or other person(s) to whom Sale Shares have been conditionally allocated stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect
- 33 12 Where either
  - (a) the Transfer Notice does not contain a Minimum Transfer Condition, or

(b) allocations have been made in respect of all the Sale Shares

the Directors shall, when no further offers or allocations are required to be made under article 33 6 to article 33 10 (inclusive), give notice in writing of the allocations of Sale Shares (an "**Allocation Notice**") to the Seller and each Shareholder and/or other person to whom Sale Shares have been allocated (each an "**Applicant**") The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least five business days, but not more than 20 business days, after the date of the Allocation Notice)

33 13 On the date specified for completion in the Allocation Notice, the Seller shall, against payment from an Applicant, transfer the Sale Shares allocated to such Applicant, in accordance with the following requirements

- (a) deliver to the Applicant a stock transfer form in respect of such Sale Shares in favour of the Applicant,
- (b) deliver to the Applicant the share certificate(s) in respect of such Sale Share (or a suitable indemnity in respect thereof), and
- (c) any other requirements specified in the Allocation Notice

33 14 If the Seller falls to comply with article 33 13

- (a) the chairman (or, falling him, any other Director or some other person nominated by a resolution of the Directors) may, as agent on behalf of the Seller)
  - (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants,
  - (ii) receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price), and
  - (iii) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them, and
- (b) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Shares (or an indemnity in a form reasonably satisfactory to the Directors, in respect of any lost certificate, together with such other evidence (if any) as the Directors may reasonably require to prove good title to those Shares) to the Company

33 15 Where an Allocation Notice does not relate to all the Sale Shares or the Transfer Notice lapses pursuant to article 33 11(b) then, subject to article 33 16, the Seller may, at any time during the 20 business days following the date of service of the Allocation Notice or the date on which the Transfer Notice lapsed in accordance with article 33 11(b) (as the case may be), transfer the Sale Shares (In the case of

a lapsed offer) or the Second Surplus Shares (in the case of an Allocation Notice that does not relate to all the Sale Shares) to any person at a price at least equal to the Transfer Price. The sale of the Sale Shares (following the lapse of a Transfer Notice) in accordance with this article 33 15 shall continue to be subject to any Minimum Transfer Condition

33 16 The Seller's right to transfer Shares under article 33 15 does not apply if the Directors reasonably consider that

- (a) the transferee is a person (or a nominee for a person) that is a competitor (or a member of the same group as a competitor) of the business of any member of the Group,
- (b) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee, or
- (c) the Seller has failed or refused to promptly provide information available to him and reasonably requested to enable it to form the opinion referred to in article (b)

#### **34. PERMITTED AND COMPULSORY TRANSFERS**

34 1 A Shareholder (the "**Original Shareholder**") may transfer all or any of his or its Shares to a Permitted Transferee without any price or other restriction

34 2 Where Shares are held by the trustee(s) of a Family Trust, the trustee(s) may transfer Shares to

- (a) the Original Shareholder,
- (b) any Privileged Relation(s) of the Original Shareholder,
- (c) subject to article 34 3, the trustee(s) of another Family Trust of which the Original Shareholder is the Settlor, or
- (d) subject to article 34 3, to the new (or remaining) trustee(s) upon a change of trustee(s) of a Family Trust,

without any price or other restriction

34 3 A transfer of Shares may only be made to the trustee(s) of a Family Trust if the Directors are satisfied

- (a) with the terms of the trust instrument and, in particular, with the powers of the trustee(s),
- (b) with the identity of the proposed trustee(s),
- (c) that the proposed transfer will not result in 50% or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts, and
- (d) that no costs incurred in connection with the setting up or administration of that Family Trust are to be paid by the Company

34 4 If the Original Shareholder is a company, and a Permitted Transfer has been made, the Permitted Transferee shall, within 10 business days of ceasing to be a Member of the Same Group as the Original Shareholder, transfer the Shares held by it to

- (a) the Original Shareholder, or
- (b) a Member of the Same Group as the Original Shareholder,

(which in either case is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this article 34 4, a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this article 34 4.

34 5 If the Original Shareholder is an individual and a Permitted Transfer has been made to a Privileged Relation of the Original Shareholder, the Permitted Transferee (or the transmittee(s) of any such person), shall within 10 business days of ceasing to be a Privileged Relation of the Original Shareholder (whether by reason of death, divorce or otherwise) either

- (a) execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them, or
- (b) give a Transfer Notice to the Company in accordance with article 33,

failing which a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this article 34.

This article 34 5 shall not apply to a transmittee of a Permitted Transferee if that transmittee is also a Permitted Transferee of the Original Shareholder, to the extent that such transmittee is legally or beneficially entitled to those Shares.

34 6 Notwithstanding any other provision of this article 34, a transfer of any Shares approved by the Directors may be made without any price or other restriction and any such transfer shall be registered by the Directors.

34 7 If any Shares remain registered in the name of a deceased Shareholder for longer than one year after the date of his death, the Directors may require the legal personal representatives of that deceased Shareholder either

- (a) to effect a Permitted Transfer of those Shares (including an election to be registered in respect of the Permitted Transfer), or
- (b) to show, to the satisfaction of the Directors, that a Permitted Transfer will be effected before (or promptly on) the completion of the administration of the estate of the deceased Shareholder.

If either paragraph (a) or (b) of this Article 34 7 is not fulfilled to the satisfaction of the Directors, a Transfer Notice shall be deemed to have been given in respect of such Shares on such date as the Directors determine.

- 34 8 If a Shareholder which is a body corporate either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction) or suffers or takes any equivalent action in any jurisdiction outside England and Wales, that Shareholder shall be deemed to have given a Transfer Notice in respect of all Shares held by it at such time as the Directors may determine
- 34 9 If a Shareholder is in material breach of these Articles, or the terms of any shareholders' agreement (or similar document) in force between any of the Shareholders and the Company and to which that Shareholder is a party, and falls to remedy the breach within 20 business days of receiving notice to remedy the same from the Company, the Directors may, by notice in writing to the relevant Shareholder, determine that a Transfer Notice shall be deemed to have been given in respect of some or all of his Shares with effect from the date of service of the notice (or such later date as may be specified in such notice)
- 34 10 If an Employee Shareholder becomes a Departing Employee Shareholder a Transfer Notice shall, unless the Directors otherwise direct in writing in respect of any of that Employee Shareholder's Shares prior to or within 20 business days after the relevant Termination Date, be deemed to have been served on the relevant Termination Date in respect of all Shares held by the Employee Shareholder (a "**Compulsory Employee Transfer**"), and any Transfer Notice served in respect of any of the Employee Shareholder's Shares before the date such Employee Shareholder becomes a Departing Employee Shareholder shall automatically lapse
- 34 11 Notwithstanding any other provisions of these Articles, the Transfer Price in respect of a Compulsory Employee Transfer shall, where the Departing Employee Shareholder is
- (a) a Bad Leaver be restricted to a maximum of the lower of the aggregate Issue Price of such Sale Shares and the aggregate Fair Value of such Sale Shares, or
  - (b) a Good Leaver, be the aggregate Fair Value of such Sale Shares
- 34 12 Notwithstanding the provisions of article 34 11, the Directors may, by notice in writing served on the Company and the relevant Seller(s), direct that some higher (but not lower) Transfer Price shall apply to any or all Sale Shares which would otherwise be subject to article 34 11
- 34 13 Forthwith upon a Transfer Notice being deemed to be served under article 34 the Shares subject to the relevant Deemed Transfer Notice ("**Restricted Shares**") shall cease to confer on the holder of them any rights
- (a) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares,



- (b) to receive dividends or other distributions otherwise attaching to those Shares, or
- (c) to participate in any future issue of Shares issued in respect of those Shares

The Directors may reinstate the rights referred to in this article 34 13 at any time and, in any event, such rights shall be reinstated on completion of a transfer made pursuant to article 34

### **35. TAG ALONG RIGHTS**

35 1 In the event that a proposed transfer of Shares (other than a transfer of Shares made pursuant to article 34, but subject to article 33 or a transfer of Shares made pursuant to article 36), whether made as one or as a series of transactions (a "**Proposed Transfer**") would, if completed, result in any person other than an existing Shareholder (the "**Buyer**"), together with any person acting in concert with the Buyer, acquiring a Controlling Interest, the remaining provisions of this article 35 shall apply

35 2 The Seller shall procure that, prior to the completion of the Proposed Transfer, the Buyer shall make an offer (the "**Offer**") to each Shareholder on the date of the Offer, to buy all of the Shares held by such Shareholders on the date of the Offer for a consideration per Share the value of which is at least equal to the amount which would be payable if the consideration payable for all the Shares the Buyer is purchasing and offering to purchase were to be distributed to the selling shareholders in accordance with the provisions of article 50 (the "**Offer Price**")

35 3 The Offer shall be made by notice in writing (an "**Offer Notice**") addressed to each Shareholder on the date of the Offer at least 20 business days (the "**Offer Period**") before the date fixed for completion of the Proposed Transfer (the "**Sale Date**") To the extent not described in any accompanying documents, the Offer Notice shall specify

- (a) the identity of the Buyer (and any person(s) acting in concert with the Buyer),
- (b) the Offer Price and any other terms and conditions of the Offer,
- (c) the Sale Date, and
- (d) the number of Shares which would be held by the Buyer (and persons acting in concert with the Buyer) on completion of the Proposed Transfer

35 4 The completion of the Proposed Transfer shall be conditional in all respects on

- (a) the making of an Offer in accordance with this article 35, and
- (b) the completion of the transfer of any Shares by any Shareholder (each an "**Accepting Shareholder**") who accepts the Offer within the Offer Period,

and the Directors shall refuse to register any Proposed Transfer made in breach of this article 35 4

35 5 The Proposed Transfer is, but the purchase of Shares from Accepting Shareholders pursuant to an Offer made under this article 35 shall not be, subject to the pre-emption provisions of article 33

### 36. DRAG ALONG RIGHTS

36 1 If a Shareholder Majority (the "**Selling Shareholders**") wish to transfer all of their interest in Shares ("**Sellers' Shares**") to a bona fide arm's-length purchaser ("**Proposed Buyer**"), the Selling Shareholders shall have the option ("**Drag Along Option**") to require all the other holders of Shares on the date of the request ("**Called Shareholders**") to sell and transfer all their interest in Shares with full title guarantee to the Proposed Buyer (or as the Proposed Buyer may direct) in accordance with the provisions of this article 36

36 2 The Selling Shareholders may exercise the Drag Along Option by giving notice in writing to that effect (a "**Drag Along Notice**"), at any time before the completion of the transfer of the Sellers' Shares, to the Proposed Buyer and each Called Shareholder. A Drag Along Notice shall specify

- (a) that the Called Shareholders are required to transfer all their Shares ("**Called Shares**") pursuant to this article 36,
- (b) the identity of the Proposed Buyer (and, if relevant, the transferee(s) nominated by the Proposed Buyer),
- (c) the consideration payable for the Called Shares (calculated in accordance with this article 36),
- (d) the proposed date of completion of transfer of the Called Shares

36 3 Once given, a Drag Along Notice may not be revoked save with the prior consent of the Directors. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not completed the transfer of all the Sellers' Shares to the Proposed Buyer (or as the Proposed Buyer may direct) within 20 business days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

36 4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in these Articles.

36 5 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Proposed Buyer were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of article 50 (*Share Sale*).

36 6 Completion of the sale and purchase of the Called Shares shall take place on the same date as, and conditional upon the completion of, the sale and purchase of the Sellers' Shares unless

- (a) all of the Called Shareholders and the Selling Shareholders otherwise agree, or

- (b) that date is less than 20 business days after the date of service of the Drag Along Notice, in which case completion of the sale and purchase of the Called Shares shall, unless all of the Called Shareholders and the Selling Shareholders otherwise agree, take place on a date specified by the Selling Shareholders that is not less than 20 business days after the date of service of the Drag Along Notice
- 36 7 Within 20 business days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for their Shares in favour of the Proposed Buyer (or as the Proposed Buyer may direct), together with the share certificate(s) in respect of those Shares (or a suitable indemnity in respect thereof) to the Company. On the expiration of that 20 business day period the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are respectively due for their Shares to the extent the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the amounts due to Called Shareholders shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders in trust for the Called Shareholders without any obligation to pay interest.
- 36 8 To the extent that the Proposed Buyer has not, on the expiration of the 20 business day period, put the Company in funds to pay the amounts due to the Called Shareholders, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate(s) (or suitable indemnity) for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this article 37 in respect of their Shares.
- 36 9 If any Called Shareholder fails to deliver to the Company a duly executed stock transfer form (or forms) in respect of the Called Shares held by him (together with the share certificate(s) in respect of those Called Shares (or a suitable indemnity in respect thereof)) the defaulting Called Shareholder shall be deemed to have appointed any person nominated for the purpose by the Selling Shareholders to be his agent to execute and deliver all necessary transfers on his behalf, against receipt by the Company (on trust for such Shareholder) of the consideration payable for the Called Shares. After the Proposed Buyer (or person(s) nominated by the Proposed Buyer) has been registered as the holder of any such Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of any transfer of Shares under this article 36.
- 36 10 Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Shares (a "New Shareholder"), a Drag Along Notice shall be deemed to have been served upon the New Shareholder, on the same terms as the previous Drag Along Notice, who shall then be bound to sell and transfer all such Shares acquired by him to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this article 36 shall apply mutatis mutandis to the New Shareholder, save that completion of the

- sale of such Shares shall take place forthwith upon the later of the Drag Along Notice being deemed served on the New Shareholder and the date of completion of the sale of the Called Shares
- 36 11 The rights of pre-emption set out in article 33 and the requirement for a mandatory offer under article 35 shall not apply to any transfer of Shares to a Proposed Buyer (or as it may direct) pursuant to a sale for which a Drag Along Notice has been duly served
- 36 12 Any Transfer Notice or Deemed Transfer Notice served in respect of the transfer of any Called Share which has not completed before the date of service of a Drag Along Notice shall automatically be revoked by the service of a Drag Along Notice
- 37. INDEPENDENT EXPERT**
- 37 1 An Independent Expert is a person appointed in accordance with this article 37 to resolve a matter under these Articles
- 37 2 The Directors and any Shareholder whose Shares are to be valued by the Independent Expert (each an "**Interested Shareholder**") shall endeavour to agree on the appointment of an Independent Expert and the terms of his appointment
- 37 3 If the Directors and the Interested Shareholder(s) are unable to agree on an Independent Expert or the terms of his appointment within 5 business days of the Directors or an Interested Shareholder serving details of a suggested expert on the others, the Directors or an Interested Shareholder shall then be entitled to request the then president of the Institute of Chartered Accountants in England and Wales to appoint an Independent Expert who is an accountant of repute with experience in the valuation of private companies limited by shares and agree the Independent Expert's terms of appointment
- 37 4 The Independent Expert is required to prepare a written decision and give notice (including a copy) of the decision to the Directors and the Interested Shareholder(s) within a maximum of three months of the matter being referred to the Independent Expert
- 37 5 If the Independent Expert dies or becomes unwilling or incapable of acting, or does not deliver the decision within the time required by this article then the Directors or an Interested Shareholder may apply to the then president of the Institute of Chartered Accountants in England and Wales to discharge the Independent Expert and to appoint a replacement Independent Expert with the required expertise This article applies in relation to the new Independent Expert as he were the first Independent Expert appointed
- 37 6 All matters under this article shall be conducted, and the Independent Expert's decision shall be written, in the English language
- 37 7 The Directors and the Interested Shareholder(s) shall provide (or procure that others including the Company provide) the Independent Expert with such assistance, information and documents (including accounting records) as the Independent Expert reasonably requires for the purpose of reaching a decision, subject to the Independent Expert agreeing to be bound by such confidentiality

provisions as the Directors and/or the Interested Shareholder(s) may reasonably impose

- 37 8 To the extent not provided for by these Articles, the Independent Expert may in his reasonable discretion determine such other procedures to assist with the conduct of the determination as he considers just or appropriate
- 37 9 The Directors and the Interested Shareholder(s) shall be entitled to make submissions to the Independent Expert and they shall each with reasonable promptness supply (and procure that others supply) the other parties with such information and access to documentation and personnel as they may reasonably require to make a submission under this article
- 37 10 The Independent Expert shall act as an expert and not as an arbitrator. The Independent Expert's written decision on the matters referred to him shall be final and binding in the absence of manifest error or fraud
- 37 11 The Company and the Interested Shareholder(s) shall bear their own costs in relation to the reference to the Independent Expert. The Independent Expert's fees and any costs properly incurred by him in arriving at his determination (including any fees and costs of any advisers appointed by the Independent Expert) shall be borne equally by the Company and the Interested Shareholder(s) or in such other proportions as the Independent Expert shall direct

*Fair Value*

- 37 12 If the Independent Expert is instructed to certify the Fair Value of any Shares, the Fair Value of such Shares shall be the value that the Independent Expert certifies to be the fair market value in his opinion as at the day on which the Independent Expert's report is finalised based on the following assumptions
- (a) the value of the Shares in question is that proportion of the fair market value of the entire issued share capital of the Company that the Shares bear to then issued share capital of the Company (with no premium or discount for the size of the Shareholder's shareholding) but taking account of the rights and restrictions attaching to such Shares (and in particular the rights and restrictions set out in articles 41, 49, 50 and 51)
  - (b) the sale is between a willing buyer and a willing seller contracting on arm's-length terms,
  - (c) if the Company is then carrying on its business as a going concern, on the assumption that it shall continue to do so,
  - (d) the Shares are sold free of all encumbrances, and
  - (e) any other factors that the Independent Expert reasonably believes should be taken into account

If any difficulty arises in applying any of these assumptions or bases then the Independent Expert shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit

### **38. TRANSMISSION OF SHARES**

- 38 1 If title to a Share passes to a transmittee, the Company may only recognise the transmittee as having any title to that Share
- 38 2 A transmittee who produces such evidence of entitlement to Shares as the Directors may properly require
- (a) may, subject to the Articles, choose either to become the holder of those Shares or to have them transferred to another person, and
  - (b) subject to the Articles, and pending any transfer of the Shares to another person, has the same rights as the holder had
- 38 3 Subject to article 19 2, transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of Shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those Shares

### **39. EXERCISE OF TRANSMITTEES' RIGHTS**

- 39 1 Transmittees who wish to become the holders of Shares to which they have become entitled must notify the Company in writing of that wish
- 39 2 If the transmittee wishes to have a Share transferred to another person, the transmittee must execute an instrument of transfer in respect of it
- 39 3 Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred

### **40 TRANSMITTEES BOUND BY PRIOR NOTICES**

- 40 1 If a notice is given to a Shareholder in respect of Shares and a transmittee is entitled to those Shares, the transmittee is bound by the notice if it was given to the Shareholder before the transmittee's name, or the name of any person nominated under article 38 2, has been entered in the register of members

## **DIVIDENDS AND OTHER DISTRIBUTIONS**

### **41. PROCEDURE FOR DECLARING DIVIDENDS**

- 41 1 The Company may by ordinary resolution declare dividends in respect of the Ordinary Shares and the B Ordinary Shares (as if they constituted Shares of the same class) and, but only after the Hurdle Date, the C Ordinary Shares (in which case, such dividend will be paid to the holders of Ordinary Shares, B Ordinary Shares and C Ordinary Shares as if they constituted Shares of the same class) The Directors may decide to pay interim dividends in respect of the Ordinary Shares and the B Ordinary Shares (as if they constituted Shares of the same class) and, but only after the Hurdle Date, the C Ordinary Shares (in which case, such dividend will be paid to the holders of Ordinary Shares, B Ordinary Shares and C Ordinary Shares as if they constituted Shares of the same class) For the

avoidance of doubt, the C Ordinary Shares shall have no right to participate in dividends prior to the Hurdle Date

- 41 2 A dividend must not be declared unless the Directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the Directors
- 41 3 A dividend must be paid by reference to each Shareholder's holding of Shares of the class or classes (and not by reference to the nominal value of such Shares or the amounts paid up on them) on which the dividend is declared on the date of the resolution or decision to declare or pay it
- 41 4 If the Company's share capital is divided into different classes, no interim dividend may be paid on Shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears
- 41 5 The Directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment
- 41 6 If the Directors act in good faith, they do not incur any liability to the holders of Shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on Shares with deferred or non-preferred rights

## **42. PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS**

- 42 1 Where a dividend or other sum which is a distribution is payable in respect of a Share, it must be paid by one or more of the following means
- (a) transfer to a bank or building society account specified by the distribution recipient in writing,
  - (b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the Share), or (in any other case) to an address specified by the distribution recipient in writing,
  - (c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified in writing, or
  - (d) any other means of payment as the Directors agree with the distribution recipient in writing
- 42 2 In the Articles, "**the distribution recipient**" means, in respect of a Share in respect of which a dividend or other sum is payable
- (a) the holder of the Share, or
  - (b) if the Share has two or more joint holders, whichever of them is named first in the register of members, or
  - (c) if the holder is no longer entitled to the Share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee

**43. DEDUCTIONS FROM DISTRIBUTIONS IN RESPECT OF SUMS OWED TO THE COMPANY**

43 1 If

- (a) a Share is subject to the Company's Lien, and
  - (b) the Directors are entitled to issue a Lien Enforcement Notice in respect of it,
- they may, instead of issuing a Lien Enforcement Notice, deduct from any dividend or other sum payable in respect of the Share any sum of money which is payable to the Company in respect of that Share to the extent that they are entitled to require payment under a Lien Enforcement Notice

43 2 Money so deducted must be used to pay any of the sums payable in respect of that Share

43 3 The Company must notify the distribution recipient in writing of

- (a) the fact and amount of any such deduction,
- (b) any non-payment of a dividend or other sum payable in respect of a Share resulting from any such deduction, and
- (c) how the money deducted has been applied

**44. NO INTEREST ON DISTRIBUTIONS**

44 1 The Company may not pay interest on any dividend or other sum payable in respect of a Share unless otherwise provided by

- (a) the terms on which the Share was issued, or
- (b) the provisions of another agreement between the holder of that Share and the Company

**45 UNCLAIMED DISTRIBUTIONS**

45 1 All dividends or other sums which are

- (a) payable in respect of Shares, and
  - (b) unclaimed after having been declared or become payable,
- may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed

45 2 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it

45 3 If

- (a) twelve years have passed from the date on which a dividend or other sum became due for payment, and
- (b) the distribution recipient has not claimed it,



the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company

**46. NON-CASH DISTRIBUTIONS**

46 1 Subject to the terms of issue of the Share in question, the Company may, by ordinary resolution on the recommendation of the Directors, decide to pay all or part of a dividend or other distribution payable in respect of a Share by transferring non-cash assets of equivalent value (including, without limitation, Shares or other securities in any company)

46 2 For the purposes of paying non-cash distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution

- (a) fixing the value of any assets,
- (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients, and
- (c) vesting any assets in trustees

**47. WAIVER OF DISTRIBUTIONS**

47 1 Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a Share by deed, but if

- (a) the Share has more than one holder, or
- (b) more than one person is entitled to the Share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the Shares

**CAPITALISATION OF PROFITS AND LIQUIDATIONS**

**48. AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS**

48 1 Subject to the Articles, the Directors may, if they are so authorised by an ordinary resolution

- (a) decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve, and
- (b) appropriate any sum which they so decide to capitalise (a "**capitalised sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**persons entitled**") and in the same proportions

48 2 Capitalised sums must be applied

- (a) on behalf of the persons entitled, and

- (b) in the same proportions as a dividend would have been distributed to them
- 48 3 Any capitalised sum may be applied in paying up new Shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct
- 48 4 A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct
- 48 5 Subject to the Articles the Directors may
- (a) apply capitalised sums in accordance with article 48 3 and article 48 4 partly in one way and partly in another,
  - (b) make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments), and
  - (c) authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of Shares and debentures to them under this article 48

#### **49. LIQUIDATIONS**

- 49 1 On a return of assets on liquidation, capital reduction or other return of capital (other than a conversion, redemption or purchase of Shares), the assets of the Company remaining after the payment of its liabilities shall be applied (to the extent that the Company is lawfully able to do so) among the Shareholders pro rata to the number of Shares held (and not by reference to the nominal value of such Shares or the amounts paid up on them), as if they all constituted Shares of the same class

#### **50. SHARE SALE**

- 50 1 On a Share Sale that completes before the Hurdle Date, the Proceeds of Sale shall be distributed among the Shareholders pro rata to the aggregate number of Shares sold other than C Ordinary Shares (and not by reference to the nominal value of such Shares or the amounts paid up on them) as if they all constituted Shares of the same class (and for the avoidance of doubt, no Proceeds of Sale shall be distributed in respect of the C Ordinary Shares)
- 50 2 On a Share Sale that completes after the Hurdle Date the Proceeds of Sale shall be distributed among the Shareholders pro rata to the aggregate number of Shares sold (including C Ordinary Shares) (and not by reference to the nominal value of such Shares or the amounts paid up on them), as if they all constituted Shares of the same class
- 50 3 The directors shall not register any transfer of Shares if the Proceeds of Sale are not distributed in the manner set out in article 50 1 or 50 2 (as the case may be) save in respect of any Shares not sold in connection with that Share Sale provided

that if the Proceeds of Sale are not settled in their entirety on completion of the Share Sale

- (i) the Directors shall not be prohibited from registering the transfer of the relevant Shares so long as the Proceeds of Sale that are settled have been distributed in accordance with this article 50, and
- (ii) the Shareholders shall take any action required by the Board to ensure that the Proceeds of Sale in their entirety are distributed in accordance with this article 50

50 4 The Company shall not agree to the sale of all, or substantially all of, its undertaking and assets without the prior written consent of holders of at least 10 per cent of the B Ordinary Shares held by Shareholders who do not also hold any C Ordinary Shares

## **51. IPO**

51 1 Immediately prior to an IPO before the Hurdle Date, in respect of any C Ordinary Shares, the relevant holder of such C Ordinary Shares shall transfer such shares at par value immediately prior to such IPO at the absolute discretion of the Board to either

- (i) the Company in accordance with the relevant provisions of the Act relating to the purchase of own shares, or
- (ii) any director(s), Shareholder(s) or employee(s) of the Company as the Board shall determine, and

if a relevant holder of C Ordinary Shares fails to transfer his relevant C Ordinary Shares in accordance with the provisions of this article 51 1, the relevant holder of C Ordinary Shares shall be deemed to appoint any person nominated for such purpose by the Board to be his agent to execute all necessary documents to give effect to such provisions. Immediately prior to an IPO before the Hurdle Date the Company shall in addition take such further steps (conditional on completion of the IPO) as are necessary to reorganise its share capital so that the holders of Shares listed in such IPO will be entitled to the same proportion of the market capitalisation of the Company as if the Shares so listed had been sold at the Realisation Price and the proceeds of such sale been distributed under the provisions of article 50

51 2 Immediately prior to an IPO after the Hurdle Date the Company shall reorganise its share capital (including by allotting additional Ordinary Shares) so that the holders of Shares listed in such IPO will be entitled to the same proportion of the market capitalisation of the Company as if the Shares so listed had been sold at the Realisation Price and the proceeds of such sale been distributed under the provisions of article 50. Any allotment shall be conditional upon completion of the IPO, when any allotted Shares shall be issued

51 3 The additional Ordinary Shares referred to in article 51 2 shall be paid up by the automatic capitalisation of any amount standing to the credit of the share premium account or any other available reserve of the Company as determined by the Directors and those additional Ordinary Shares shall be issued at par fully paid

- 51 4 The capitalisation shall be automatic and shall not require any action on the part of the Shareholders and the Directors shall allot the Ordinary Shares arising on the capitalisation to the Shareholders entitled to them in accordance with this Article. If the Company is not legally permitted to carry out the capitalisation the holders of the C Ordinary Shares shall be entitled to subscribe in cash at par for that number of additional Ordinary Shares as would otherwise have been issued pursuant to article 51 2. To the extent that there is insufficient share capital to effect the said issue the Directors shall procure (so far as they are able) that the Company's share capital is increased to the extent necessary to permit the issue required and all Shareholders shall vote in favour of the necessary resolutions to effect the increase.

## **LIEN, CALLS ON SHARES AND FORFEITURE**

### **52. COMPANY'S LIEN**

- 52 1 The Company has a lien (the "**Company's Lien**") over every Share which is registered in the name of a person

- (a) in the case of an individual Shareholder, who is indebted or under any liability to the Company,
- (b) in the case of a corporate Shareholder, that is itself or is a Member of the Same Group as a company that is indebted or under any liability to the Company,

whether he is the sole registered holder of the Share or one of several joint holders, for all monies payable by him or in the case of a company payable by the company and any Member of the Same Group as the company, (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future

- 52 2 The Company's Lien over a Share

- (a) takes priority over any third party's interest in that Share, and
- (b) extends to any dividend or other money payable by the Company in respect of that Share and (if the Company's Lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share

- 52 3 The Directors may at any time decide that a Share which is or would otherwise be subject to the Company's Lien shall not be subject to it, either wholly or in part

### **53. ENFORCEMENT OF THE COMPANY'S LIEN**

- 53 1 Subject to the provisions of this article 51, if

- (a) a Lien Enforcement Notice has been given in respect of a Share, and
- (b) the person to whom the notice was given has failed to comply with it, the Company may sell that Share in such manner as the Directors decide

53 2 A Lien Enforcement Notice

- (a) may only be given in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed,
- (b) must specify the Share concerned,
- (c) must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires),
- (d) must be addressed either to the holder of the Share or to a transmittee of that holder, and
- (e) must state the Company's intention to sell the Share if the notice is not complied with

53 3 Where Shares are sold under this article 51

- (a) the Directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser, and
- (b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale

53 4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the Company's Lien) must be applied

- (a) first, in payment of so much of the sum for which the Company's Lien exists as was payable at the date of the Lien Enforcement Notice, and
- (b) second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the Directors has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien over the Shares before the sale for any money payable by that person (or his estate or any joint holder of the Shares) after the date of the Lien Enforcement Notice

53 5 A statutory declaration by a Director that the declarant is a Director and that a Share has been sold to satisfy the Company's Lien on a specified date

- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and
- (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share

## **54. CALL NOTICES**

54 1 Subject to the Articles and the terms on which Shares are allotted, the Directors may send a notice (a **"Call Notice"**) to a Shareholder requiring the Shareholder to pay the Company a specified sum of money (a **"Call"**) which is payable to the Company at the date when the Directors decide to send the Call Notice

54 2 A Call Notice

(a) may not require a Shareholder to pay a Call which exceeds the total amount of his, or in the case of a corporate Shareholder any Member of the Same Group's, indebtedness or liability to the Company,

(b) must state when and how any Call to which it relates is to be paid, and

(c) may permit or require the Call to be made in instalments

54 3 A Shareholder must comply with the requirements of a Call Notice, but no Shareholder is obliged to pay any Call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent

54 4 Before the Company has received any Call due under a Call Notice the Directors may

(a) revoke it wholly or in part, or

(b) specify a later time for payment than is specified in the notice,

by a further notice in writing to the Shareholder in respect of whose Shares the Call is made

## **55. LIABILITY TO PAY CALLS**

55 1 Liability to pay a Call is not extinguished or transferred by transferring the Shares in respect of which it is required to be paid

55 2 Joint holders of a Share are jointly and severally liable to pay all Calls in respect of that Share

55 3 Subject to the terms on which Shares are allotted, the Directors may, when issuing Shares, provide that Call Notices sent to the holders of those Shares may require them

(a) to pay Calls which are not the same, or

(b) to pay Calls at different times

## **56. WHEN A CALL NOTICE NEED NOT BE ISSUED**

56 1 A Call Notice need not be issued in respect of sums which are specified in the terms on which a Share is issued, as being payable to the Company in respect of that Share

(a) on allotment,

- (b) on the occurrence of a particular event, or
- (c) on a date fixed by or in accordance with the terms of issue

56 2 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the Share concerned is treated in all respects as having failed to comply with a Call Notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture

## **57. FAILURE TO COMPLY WITH CALL NOTICE AUTOMATIC CONSEQUENCES**

57 1 If a person is liable to pay a Call and fails to do so by the Call payment date

- (a) the Directors may issue a notice of intended forfeiture to that person, and
- (b) until the Call is paid, that person must pay the Company interest on the Call from the Call payment date at the relevant rate

57 2 For the purposes of this article 55

- (a) the "**Call payment date**" is the time when the call notice states that a call is payable, unless the Directors give a notice specifying a later date, in which case the "**Call payment date**" is that later date,
- (b) the "**relevant rate**" is
  - (i) the rate fixed by the terms on which the Share in respect of which the call is due was allotted,
  - (ii) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the Directors, or
  - (iii) if no rate is fixed in either of these ways, five per cent per annum

57 3 The relevant rate must not exceed by more than five percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998(a)

57 4 The Directors may waive any obligation to pay interest on a call wholly or in part

## **58. NOTICE OF INTENDED FORFEITURE**

58 1 A notice of intended forfeiture

- (a) may be sent in respect of any Share in respect of which a Call has not been paid as required by a Call Notice,
- (b) must be sent to the holder of that Share (or all the joint holders of that Share) or to a transmittee of that holder,
- (c) must require payment of the Call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not less than 14 clear days after the date of the

notice (that is excluding the date on which the notice is given and the date on which that 14 day period expires),

- (d) must state how the payment is to be made, and
- (e) must state that if the notice is not complied with, the Shares in respect of which the Call is payable will be liable to be forfeited

**59. DIRECTORS' POWER TO FORFEIT SHARES**

59 1 If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, the Directors may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture

**60. EFFECT OF FORFEITURE**

60 1 Subject to the Articles, the forfeiture of a Share extinguishes

- (a) all interests in that Share, and all claims and demands against the Company in respect of it, and
- (b) all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company

60 2 Any Share which is forfeited in accordance with these Articles

- (a) is deemed to have been forfeited when the Directors decide that it is forfeited,
- (b) is deemed to be the property of the Company, and
- (c) may be sold, re-allotted or otherwise disposed of as the Directors think fit

60 3 If a person's Shares have been forfeited

- (a) the Company must send that person notice that forfeiture has occurred and record it in the register of members,
- (b) that person ceases to be a member in respect of those Shares,
- (c) that person must surrender the certificate for the Shares forfeited to the Company for cancellation,
- (d) that person remains liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture), and
- (e) the Directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal



- 60 4 At any time before the Company disposes of a forfeited Share, the Directors may decide to cancel the forfeiture on payment of all Calls and interest due in respect of it and on such other terms as they think fit

## **61. PROCEDURE FOLLOWING FORFEITURE**

- 61 1 If a forfeited Share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the Directors may authorise any person to execute the instrument of transfer

- 61 2 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been forfeited on a specified date

- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and
- (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share

- 61 3 A person to whom a forfeited Share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the Share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share

- 61 4 If the Company sells a forfeited Share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which

- (a) was, or would have become, payable, and
- (b) had not, when that Share was forfeited, been paid by that person in respect of that Share,

but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them

## **62 SURRENDER OF SHARES**

- 62 1 A Shareholder may surrender any Share

- (a) in respect of which the Directors may issue a notice of intended forfeiture,
- (b) which the Directors may forfeit, or
- (c) which has been forfeited

- 62 2 The Directors may accept the surrender of any such Share

- 62 3 The effect of surrender on a Share is the same as the effect of forfeiture on that Share

- 62 4 A Share which has been surrendered may be dealt with in the same way as a Share which has been forfeited

## **PART4**

### **DECISION-MAKING BY SHAREHOLDERS**

#### **ORGANISATION OF GENERAL MEETINGS**

##### **63. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS**

- 63 1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting
- 63 2 A person is able to exercise the right to vote at a general meeting when
- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
  - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting
- 63 3 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it
- 63 4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other
- 63 5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them

##### **64. QUORUM FOR GENERAL MEETINGS**

- 64 1 No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum. The quorum shall be two holders of Shares (other than, prior to the Hurdle Date only, holders of only C Ordinary Shares)

##### **65. CHAIRING GENERAL MEETINGS**

- 65 1 If the Directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so
- 65 2 If the Directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start
- (a) the Directors present, or
  - (b) (If no Directors are present), the meeting,

must appoint a Director or Shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting

65 3 The person chairing a meeting in accordance with this article is referred to as "**the chairman of the meeting**"

**66. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS**

66 1 Directors may attend and speak at general meetings, whether or not they are Shareholders

66 2 The chairman of the meeting may permit other persons who are not

(a) Shareholders of the Company, or

(b) otherwise entitled to exercise the rights of Shareholders in relation to general meetings,

to attend and speak at a general meeting

**67. ADJOURNMENT**

67 1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it

67 2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if

(a) the meeting consents to an adjournment, or

(b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner

67 3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting

67 4 When adjourning a general meeting, the chairman of the meeting must

(a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors, and

(b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting

67 5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)

(a) to the same persons to whom notice of the Company's general meetings is required to be given, and

(b) containing the same information which such notice is required to contain

- 67 6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place

## **VOTING AT GENERAL MEETINGS**

### **68. VOTING: GENERAL**

- 68 1 Subject to any other provisions in these Articles concerning voting rights and in particular article 68 2, the Ordinary Shares, the B Ordinary Shares and the C Ordinary Shares shall carry the right to receive notice of and to attend, speak and vote at all general meetings of the Company

- 68 2 Prior to the Hurdle Date, the C Ordinary Shares shall carry no rights to receive notice of or to attend, speak or vote at general meetings of the Company

- 68 3 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles

### **69. ERRORS AND DISPUTES**

- 69 1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to be tendered, and every vote not disallowed at the meeting is valid

- 69 2 Any such objection must be referred to the chairman of the meeting, whose decision is final

### **70. POLL VOTES**

- 70 1 A poll on a resolution may be demanded

- (a) in advance of the general meeting where it is to be put to the vote, or
- (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared

- 70 2 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting

- 70 3 A demand for a poll may be withdrawn if

- (a) the poll has not yet been taken, and
- (b) the chairman of the meeting consents to the withdrawal

- 70 4 A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made

- 70 5 Polls must be taken immediately and in such manner as the chairman of the meeting directs

## **71. CONTENT OF PROXY NOTICES**

71 1 Proxies may only validly be appointed by a notice in writing (a "**proxy notice**") which

- (a) states the name and address of the Shareholder appointing the proxy,
- (b) identifies the person appointed to be that Shareholder's proxy and the general meeting in relation to which that person is appointed,
- (c) is signed by or on behalf of the Shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine, and
- (d) is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate,

and a proxy notice which is not delivered in such manner shall be invalid, unless the Directors, in their discretion, accept the notice at any time before the meeting

71 2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes

71 3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions

71 4 Unless a proxy notice indicates otherwise, it must be treated as

- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
- (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself

## **72. DELIVERY OF PROXY NOTICES**

72 1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person

72 2 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given

72 3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates

72 4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointer's behalf

### **73. AMENDMENTS TO RESOLUTIONS**

- 73 1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if
- (a) notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
  - (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution
- 73 2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if
- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
  - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution
- 73 3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution

## **PART 5**

### **ADMINISTRATIVE ARRANGEMENTS**

#### **74. MEANS OF COMMUNICATION TO BE USED**

- 74 1 Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by or to the Company (including without limitation via a website, chatroom, extranet, intranet, blog, online social network or forum or other similar mechanism duly notified to the Company, its officers or agents in writing by the Shareholder or Director)
- 74 2 For the purposes of these Articles, the Company can assume that any email addresses supplied to the Company, its officers or agents by any Shareholder or Director are up-to-date and current, and it is the sole responsibility of each Shareholder and Director to update the Company as to any changes in their email addresses and to ensure that the Company has and uses their correct email address. All Shareholders and Directors agree that the Company has no responsibility to any Shareholder or Director who fails to receive any notice or other communication as a result of the Shareholder or Director failing to comply with this article 74 2
- 74 3 When any notice or communication is sent by means of a website, chatroom, extranet, intranet, blog, online social network or forum or other similar mechanism, an email shall be sent to Shareholders to inform them of the existence of the notice

- or communication made on such website, chatroom, extranet, intranet, blog, online social network or forum or other similar mechanism in accordance with Schedule 5 of the Act
- 74 4 Any notice, document or other information shall be deemed served on or delivered to the intended recipient
- (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider),
  - (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address,
  - (c) if properly addressed and sent or supplied by electronic mail or fax, one hour after the document or information was sent or supplied, and
  - (d) if sent or supplied by means of a website, chatroom, extranet, intranet, blog, online social network or forum or other similar mechanism, when the material is first made available on the website, chatroom, extranet, intranet, blog, online social network or forum or other similar mechanism or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on such medium
- 74 5 For the purposes of this article, no account shall be taken of any part of a day that is not a working day
- 74 6 The Company's obligation to send or supply any notice or communication to Shareholders or Directors is satisfied when the Company transmits an electronic message and the Company is not responsible for a failure in transmission beyond its control
- 74 7 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act
- 74 8 Subject to the Articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being
- 74 9 A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than the times set out in article 74 4

- 74 10 Each Shareholder and Director shall for the purposes of paragraph 6 and paragraph 9 of Schedule 5 of the Act, be deemed to have agreed to accept notices or communications from the Company in electronic form, and to them being made available on a website, by providing a copy of his email address and expressly consenting for that email address being used for the purposes of receiving notices or communications from the Company in electronic form, and the Company making information available on a website

## **75. COMPANY SEALS**

- 75 1 Any common seal may only be used by the authority of the Directors
- 75 2 The Directors may decide by what means and in what form any common seal is to be used
- 75 3 Unless otherwise decided by the Directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature
- 75 4 For the purposes of this article, an authorised person is
- (a) any Director of the Company,
  - (b) the company secretary (if any), or
  - (c) any person authorised by the Directors for the purpose of signing documents to which the common seal is applied

## **76. NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS**

- 76 1 Except as provided by law or authorised by the Directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a Shareholder

## **77. PROVISIONS FOR EMPLOYEES ON CESSATION OF BUSINESS**

- 77 1 The Directors may decide to make provision for the benefit of persons employed or formerly employed by a member of the Group (other than a Director or former Director or shadow Director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of a member of the Group

## **78. DATA PROTECTION**

- 78 1 Each of the Shareholders and Directors (from time to time) consents to the processing of his personal data by the Company, its Shareholders and Directors (each a "**Recipient**") for the purposes of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information amongst themselves. A Recipient may process such personal data either electronically or manually
- 78 2 The personal data that may be processed for such purposes under this article 78 shall include any information which may have a bearing on the prudence or commercial merits of investing in, or disposing of any Shares (or other investment



or security) in, the Company Save as required by law, court order or any regulatory authority, that personal data shall not be disclosed by a Recipient or any other person, except to

- (a) a Member of the Same Group as the Recipient (each a "**Member of the Recipient's Group**"),
- (b) employees, directors and professional advisers of that Recipient or any Member of the Recipient's Group, and
- (c) funds managed by any Member of the Recipient's Group

78 3 Each of the Shareholders and Directors consent (from time to time) to the transfer of such personal data to persons acting on behalf of any Recipient and to the offices of any Recipient, both within and outside the European Economic Area, for the purposes stated above, where it is necessary or desirable to do so

## **DIRECTORS' INDEMNITY AND INSURANCE**

### **79. INDEMNITY**

79 1 Subject to article 79 2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled

- (a) each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer
  - (i) in the actual or purported execution and/or discharge of his duties, or in relation to them, and
  - (ii) in relation to any member of the Group's activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the member of the Group's affairs, and

- (b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 79 1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

79 2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

79 3 In this article a "**relevant officer**" means any Director or secretary or former Director or secretary of a member of the Group (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act, but excluding in each case any person engaged by a member of the Group as auditor (whether or not he is also a Director or secretary), to the extent he acts in his capacity as auditor)

## 80. **INSURANCE**

80 1 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss

80 2 In this article

- (a) a "**relevant officer**" means any Director or other officer or former Director or other officer of a member of the Group (including any such company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act, but excluding in each case any person engaged by a member of the Group as auditor (whether or not he is also a Director or other officer), to the extent he acts in his capacity as auditor),
- (b) a "**relevant loss**" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to a member of the Group or any pension fund or employees' share scheme of any member of the Group